

NEWS RELEASE



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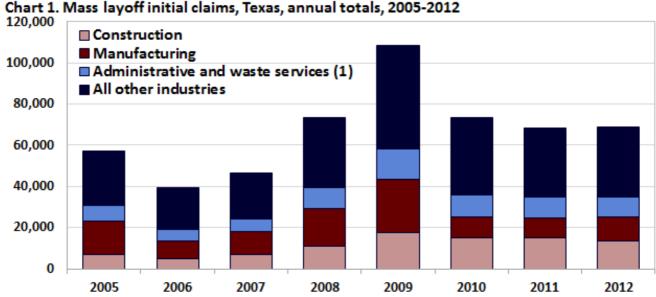
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Mass Layoffs in Texas – 2012 Annual Totals

Employers in Texas took 627 mass layoff actions in 2012 that resulted in the separation of 69,068 workers, as measured by new filings for unemployment insurance benefits during the year, the U.S. Bureau of Labor Statistics reported today. (See chart 1.) Each action involved at least 50 persons from a single employer. Regional Commissioner Stanley W. Suchman noted that the number of claims in 2012 rose slightly from the 2011 level of 68,500, but remained well below the recent recession's peak level of 108,452 recorded in 2009.



(1) Data beginning in 2008 are not strictly comparable to prior years due to a change in NAICS versions. Source: U.S. Bureau of Labor Statistics

Industry distribution

Of all the industry sectors in Texas, construction experienced the most mass layoff events in 2012 with 141. (See <u>table 1</u>.) This sector also had the largest number of initial claimants at 13,519, or 19.6 percent of the state's total. Although both the number of mass layoff events and claimants in the construction sector declined in 2012, the number of claimants was still the fifth-highest in the series which extends

back to 1996. Administrative and waste services ranked second in the number of mass layoff events and third in unemployment insurance claims in 2012, at 115 and 9,972, respectively. The manufacturing sector was third in layoff events at 79, but second in number of initial claimants with 11,710 in 2012. Together, these three industry sectors accounted for slightly more than 50 percent of all initial claims in the state. (See <u>chart 1</u>.) Three other sectors experienced mass layoff-related initial claims totaling 5,000 or more in 2012: retail trade (6,112), professional and technical services (5,684), and accommodation and food services (5,044).

Manufacturing saw the largest increase in mass layoff initial claimants, rising 2,264 in 2012. Mining, quarrying, and oil and gas extraction followed with an increase of 1,092 initial claims; this sector posted a series low of 337 claims in 2011. On a percentage basis, mining, quarrying, and oil and gas extraction experienced the largest increase in claims, up 324.0 percent in 2012, after experiencing the largest percentage decrease among all sectors in 2011 (-66.2 percent). Mining, quarrying, and oil and gas extraction was followed by other services, up 73.2 percent, and wholesale trade, up 54.6 percent. The educational services sector was the only industry to register a series high in initial claimants in 2012 (665).

Although total initial claimants in Texas rose, nearly as many industry sectors registered declines as increases in 2012. The largest decline in initial claims occurred in the local government sector where claims fell 2,017 (-62.8 percent); this sector recorded a series high in 2011 at 3,210. The construction sector experienced the second-largest decline in initial claims, falling by 1,624 in 2012, but movements differed in the construction sub-components. Declines in initial claims were recorded in heavy and civil engineering construction (-1,228) and specialty trade contractors (-581), as both industries came off series highs in 2011, but claims rose in the construction of buildings subsector (185).

Among the states, California recorded the largest number of initial claims during 2012 at 327,275. New York (141,137) ranked second, followed by Pennsylvania (106,303) and New Jersey (85,979). Thirty-six states and the District of Columbia experienced over-the-year declines in total initial claims, while 14 states registered increases. California (-50,138) registered the largest decline in initial claims, while five states registered declines ranging from 20,000 to 10,000; decreases in the remaining states were less than 10,000. New York experienced the largest increase (21,739) followed by North Carolina (19,537) and New Jersey (19,168).

Technical Note

The Mass Layoff Statistics (MLS) program is a federal-state program that uses a standardized automated approach to identifying, describing, and tracking the effects of major job cutbacks, using data from each state's unemployment insurance database. Each month, states report on employers which have at least 50 initial claims filed against them during a consecutive 5-week period. These employers then are contacted by the state agency to determine whether these separations lasted 31 days or longer, and, if so, other information concerning the layoff is collected. States report on layoffs lasting more than 1 month on a quarterly basis.

A given month contains an aggregation of the weekly unemployment insurance claims filings for the Sunday through Saturday weeks in that month. All weeks are included for the particular month, except if the first day of the month falls on Saturday. In this case, the week is included in the prior month's tabulations. This means that some months will contain 4 weeks and others, 5 weeks. The number of

weeks in a given month may be different from year to year, and the number of weeks in a year may vary. Therefore, analysis of over-the-month and over-the-year change in the not seasonally adjusted series should take this calendar effect into consideration.

The MLS program resumed operations in April 1995 after it had been terminated in November 1992 due to lack of funding. Prior to April 1995, monthly layoff statistics were not available.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

DefinitionsEmployer. Employers in the MLS program include those covered by state unemployment insurance laws. Information on employers is obtained from the Quarterly Census of Employment and Wages (QCEW) program, which is administered by the Bureau of Labor Statistics (BLS).

Industry. Employers are classified according to the 2007 version of the North American Industry Classification System (NAICS). For temporary help and professional employer organization industries, monthly MLS-related statistics generally reflect layoffs related to underlying client companies in other industries. An individual layoff action at a client company can be small, but when initial claimants associated with many such layoffs are assigned to a temporary help or professional employer organization firm, a mass layoff event may trigger.

Initial claimant. A person who files any notice of unemployment to initiate a request either for a determination of entitlement to and eligibility for compensation, or for a subsequent period of unemployment within a benefit year or period of eligibility.

Mass layoff event. Fifty or more initial claims for unemployment insurance benefits filed against an employer during a 5-week period, regardless of duration.

Table 1. Mass layoff events and initial claimants for unemployment insurance, selected industries, Texas, annual totals

	Mass layoff events				Initial claims for unemployment insurance			
Industry	2009	2010	2011	2012	2009	2010	2011	2012
Total, all industries (1)	1,064	722	650	627	108,452	73,545	68,500	69,068
Total private	1,031	688	599	608	105,289	70,315	63,880	67,046
Agriculture, forestry, fishing, and hunting	6	6	8	7	623	786	771	551
Agriculture and forestry support activities	4	4	4	(3)	446	626	532	(3)
Total private nonfarm	1,025	682	591	601	104,666	69,529	63,109	66,495
Mining, quarrying, and oil and gas extraction	70	11	4	18	6,935	997	337	1,429
Support activities for mining	66	10	4	17	6,589	928	337	1,316
Construction	198	166	157	141	17,565	14,928	15,143	13,519
Construction of buildings	72	49	46	45	7,172	5,333	4,014	4,199
Heavy and civil engineering construction	68	54	50	40	5,717	4,521	5,824	4,596
Specialty trade contractors	58	63	61	56	4,676	5,074	5,305	4,724
Manufacturing	238	93	77	79	26,116	10,222	9,446	11,710
Food	14	15	21	8	1,431	1,493	2,505	749
Textile mills	5	(3)	(3)	(3)	1,348	(3)	(3)	(3)
Apparel (2)	(3)	5	(3)	(3)	(3)	370	(3)	(3)
Wood products	10	10	(3)	-	690	949	(3)	-
Nonmetallic mineral products	13	6	(3)	5	897	720	(3)	804
Primary metals	13	(3)	(3)	(3)	1,408	(3)	(3)	(3)
Fabricated metal products	31	(3)	7	8	2,324	(3)	516	588
Machinery (2)	49	12	8	13	5,105	1,252	1,312	1,548
Computer and electronic products	29	4	5	(3)	3,174	256	355	(3)
Transportation equipment (2)	34	14	14	18	6,398	1,398	1,352	4,702
Wholesale trade	28	17	10	14	2,580	1,362	716	1,107
Merchant wholesalers, durable goods	19	11	8	11	1,871	927	583	902
Merchant wholesalers, nondurable goods	(3)	6	(3)	3	(3)	435	(3)	205
Retail trade	75	73	58	49	8,592	7,472	6,620	6,112
Furniture and home furnishings stores	4	(3)	(3)	(3)	510	(3)	(3)	(3)
Electronics and appliance stores	6	(3)	(3)	(3)	1,086	(3)	(3)	(3)
Building material and garden supply stores	10	(3)	(3)	(3)	827	(3)	(3)	(3)
Food and beverage stores	10	11	11	7	911	1,013	1,251	872
Health and personal care stores	(3)	8	5	(3)	(3)	581	434	(3)
General merchandise stores	28	32	25	25	3,932	3,872	3,392	3,582
Transportation and warehousing	45	29	21	30	4,319	3,134	2,640	3,050
Air transportation	(3)	(3)	-	3	(3)	(3)	-	284
Truck transportation	21	10	6	7	2,177	763	504	618
Transit and ground passenger transportation	9	9	7	10	902	1,278	1,241	1,381
Support activities for transportation	(3)	(3)	-	3	(3)	(3)	-	183
Information	32	24	18	17	2,585	2,074	1,444	2,073
Publishing industries except Internet	6	(3)	(3)	(3)	521	(3)	(3)	(3)

Note: See footnotes at end of table.

Table 1. Mass layoff events and initial claimants for unemployment insurance, selected industries, Texas, annual totals - Continued

	Mass layoff events				Initial claims for unemployment insurance			
Industry	2009	2010	2011	2012	2009	2010	2011	2012
Telecommunications	19	19	11	11	1,552	1,688	972	1,543
Data processing hosting and related services	5	(3)	5	4	392	(3)	361	416
Finance and insurance (2)	38	24	15	20	2,962	1,920	1,601	1,916
Credit intermediation and related activities	26	15	14	13	2,221	1,229	1,497	1,365
Insurance carriers and related activities	10	9	(3)	7	586	691	(3)	551
Real estate and rental and leasing (2)	7	5	(3)	(3)	502	419	(3)	(3)
Rental and leasing services	5	5	(3)	(3)	360	419	(3)	(3)
Professional and technical services (2)	52	36	34	34	7,011	6,419	5,979	5,684
Management of companies and enterprises	9	(3)	(3)	(3)	925	(3)	(3)	(3)
Administrative and waste services (2)	157	119	114	115	14,303	10,520	10,064	9,772
Administrative and support services (2)	154	119	114	115	14,078	10,520	10,064	9,772
Educational services	(3)	(3)	6	8	(3)	(3)	497	665
Health care and social assistance	24	25	32	27	3,821	2,650	2,945	2,420
Ambulatory health care services	(3)	7	10	(3)	(3)	583	826	(3)
Hospitals	6	(3)	7	7	492	(3)	478	458
Social assistance	13	12	14	15	1,487	1,544	1,565	1,594
Arts entertainment and recreation	(3)	5	(3)	(3)	(3)	380	(3)	(3)
Accommodation and food services	37	36	31	30	5,275	5,447	4,327	5,044
Food services and drinking places	34	34	29	30	5,040	5,313	4,174	5,044
Other services except public administration	7	9	4	7	573	606	328	568
Membership associations and organizations	3	3	(3)	(3)	227	227	(3)	(3)
Government	33	34	51	19	3,163	3,230	4,620	2,022
Federal	7	5	4	3	663	332	318	195
State	13	10	13	7	1,116	856	1,092	634
Local	13	19	34	9	1,384	2,042	3,210	1,193

Note: Dash represents zero.

⁽¹⁾ Total includes all industries including those not listed in the table.
(2) Data beginning in 2008 are not strictly comparable to prior years due to a change in NAICS versions.
(3) Data do not meet BLS or state agency disclosure standards.